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## INITIATIVE 207

I, Ralph Munro, Secretary of State of the State of Washington and custodian of its seal, hereby certify that, according to the records on file in my office, the attached copy of Initiative Measure No. 207 to the Legislature is a true and correct copy as it was received by this office.

1       AN ACT Relating to greater governmental fiscal responsibility  
2 through limitations on expenditures and taxation; Amending RCW  
3 66.08.180; adding new sections to chapter 43.135 RCW and amending RCW  
4 43.135.035, and 43.135.045; adding a new chapter to Title 28A RCW; and  
5 amending RCW 28A.150.100, 28A.150.260; and providing for submission of  
6 this act to a vote of the people.

7 BE IT ENACTED BY THE PEOPLE OF THE STATE OF WASHINGTON:

8       NEW SECTION   **Sec. 1.** The legislature of the State of Washington  
9 hereby finds and declares:

10       (1) The level of investment in public education needed to provide  
11 for Washington State's continued economic prosperity is often at odds  
12 with simplistic expenditure caps.

13       (2) It is therefore the intent of chapter . . . , laws of 1998 (this  
14 act) to exempt public education from the expenditure and revenue limits  
15 of chapter 2, laws of 1994, referred to as Initiative 601.

16       NEW SECTION   **Sec. 2.** Unless the context clearly requires  
17 otherwise, as used in this chapter and section 10 of this act, "public  
18 education programs" include but are not limited to:

(1) Public schools as defined by RCW 28A.150.010, including the state school for the blind and the state school for the deaf.

(2) Institutions of higher education as defined in RCW 28B.10.016;

(3) Vocational education as defined in RCW 28C.040.410, 28C.10.020, and 28C.18.080; and

(4) Public libraries as defined in RCW 27.12.010 and 27.12.020.

It is necessary for juveniles and adults of the state of Washington to receive a proper education, therefore education as provided in this section is exempt from the provisions of Chapter 43.135 RCW, "Initiative 601".

**NEW SECTION Sec. 3.** (1) Funding shall be increased for the purpose of educating students with and without disabilities. Further: Funding shall be substantial to meet the needs of all public school students within the state of Washington and shall combine special education and regular education programs of the state public school system, as determined by the superintendent of public instruction.

(2) The superintendent of public instruction shall be appropriated two hundred fifty million dollars for the biennium ending June 30, 1999, and two hundred fifty million dollars for the biennium ending June 30, 2001. This money shall not be a part of any other state money received from the legislature for purpose and intent of educating the people of the state of Washington through the superintendent of public instruction.

(3) The superintendent of public instruction shall pay this money to the education service districts within the state of Washington proportionately by student population and each school district within each educational service district shall receive a proportional amount by student population and particular need of each school district as determined by each ESD superintendent each year until June 30, 2001. Each school district receiving money shall use it for the following purpose or as determined by the Office of the Superintendent of Public Instruction:

(a) Assistive Technology for the students with disabilities;

(b) Computer Technology for the students with and without disabilities;

(c) To help parents borrow assistive technology for their children with disabilities, for home use, using guidelines developed by the Office of the Superintendent of Public Instruction.

(d) Employing within each educational service district one full-time equivalent employee with a masters degree in computer technology and at least one full-time equivalent employee with a bachelor's degree in special education. Both of these full-time employees shall be certificated teachers. The duties of these certificated teachers shall be determined by each educational service district superintendent. However, these employees shall be responsible for developing communications between school system and parents with children with disabilities and at high risk.

NEW SECTION **Sec. 4.** The following public school programs within the state of Washington shall receive no less than one million dollars each, each year for the biennium's beginning June 30, 1999 and ending June 30, 2001. The moneys mentioned herein are above the normal and regular appropriations made each biennium by the legislature of the state of Washington. In no way does this section conclude or intend that less money be given to these programs as mentioned below. Funding for this section shall come from the appropriations of New Sections sixteen and seventeen of (this act). The programs herein mentioned are:

- (1) Complex Needs;
- (2) Magnet Schools;
- (3) Primary Intervention Programs; and
- (4) English as a second language.

The superintendent of public instruction shall disburse such funds through each education service district involved in such programs as mentioned above.

NEW SECTION **Sec. 5.** There are school districts that have multi-grade levels taught by one classroom teacher. No classroom shall have more than three consecutive grade levels. All multi-grade level classrooms shall have one full time teacher's aide. No multi-grade-level classroom shall:

- (1) Have grades kindergarten through six mixed with grades seven through eight or grades nine through twelve;
- (2) Have grades seven through eight mixed with grades nine through twelve, except:
  - (a) Grade nine may be joined with grades seven and eight where, such is and has been past

1        NEW SECTION    **Sec. 6.**    (1) It is essential that the state of  
2 Washington afford funding to the libraries of the state of Washington,  
3 as provided in RCW 27.12.010(3) and 27.12.020. Public libraries under  
4 chapter 27.12 RCW are necessary for the proper education of the people  
5 of the state of Washington, therefore, public education and libraries  
6 are exempt from chapter 43.135 RCW, "Initiative 601" and shall receive  
7 substantial funding through the legislature.

8        SECTION    **Sec. 7.**    AMENDING:    RCW 28A.150.100:    Basic education  
9 certificated instructional staff---Definitions---Ratio to students.

10        (1) For the purposes of this section and RCW 28A.150.410 and  
11 28A.400.200, "basic education certificated instructional staff" shall  
12 mean all full time equivalent certificated instructional staff in the  
13 following programs as defined for state-wide school district accounting  
14 purposes:    Basic education, secondary vocational education, general  
15 instructional support, and general supportive services.

16        (2) In the school year ((1988-89)) 1999-00 school year and  
17 thereafter, each school district shall maintain a ratio of at least  
18 ((~~forty-six~~)) fifty basic education certificated instructional staff  
19 to one thousand annual average full time equivalent students. [1990 c  
20 33 ú 103; 1987 1st ex.s. c 2 ú 203.    Formerly RCW 28A.41.110.]

21        SECTION    **Sec. 8.**    AMENDING:    RCW 28A.150.260.    Annual basic  
22 education allocation of funds according to average FTE student, student  
23 enrollment--Procedure to determine distribution formula--Submittal to  
24 legislature--Enrollment, FTE student, certificated and classified  
25 staff, defined--Minimum classroom contact hours--Waiver. (Contingent  
26 expiration date.)    The basic education allocation for each annual  
27 average full time equivalent student shall be determined in accordance  
28 with the following procedures:

29        (1) The governor shall and the superintendent of public instruction  
30 may recommend to the legislature a formula based on a ratio of students  
31 to staff for the distribution of a basic education allocation for each  
32 annual average full time equivalent student enrolled in a common  
33 school. The distribution formula shall have the primary objective of  
34 equalizing educational opportunities and shall provide appropriate  
35 recognition of the following costs among the various districts within  
36 the state:

37        (a) Certificated instructional staff and their related costs;

(b) Certificated administrative staff and their related costs;

(c) Classified staff and their related costs;

(d) Nonsalary costs;

(e) Extraordinary costs of remote and necessary schools and small high schools, including costs of additional certificated and classified staff; and

(f) The attendance of students pursuant to RCW 28A.335.160 and 28A.225.250 who do not reside within the servicing school district.

(2)(a) This formula for distribution of basic education funds shall be reviewed biannually by the superintendent of public instruction and governor. The recommended formula shall be subject to approval, amendment or rejection by the legislature. The formula shall be for allocation purposes only. While the legislature intends that the allocations for additional instructional staff be used to increase ratio of such staff to students, nothing in this section shall require districts to reduce the number of administrative staff below existing levels. Except, when teacher to student ratios are increased, then administrative staff shall be reduced proportionately.

(b) The formula adopted by the legislature shall reflect the following ratios at a minimum: (i) (~~((forty-nine))~~) fifty certificated instructional staff to one thousand annual average full time equivalent students enrolled in grades kindergarten through three , this fifty to one thousand ratio shall be the standard and shall not be changed, except in the case where the legislature may want to increase the number of certificated teachers per one thousand full time annual students; (ii) (~~((forty-six))~~) fifty certificated instructional staff to one thousand annual average full time equivalent students in grades four through twelve, this fifty to one thousand ratio shall be the standard and shall not be changed: except in the case where the legislature may want to increase the number of certificated teachers per one thousand full time annual students; (iii) four certificated administrative staff to one thousand annual average full time equivalent students in grades kindergarten through twelve; and (iv) (~~((sixteen and sixty-seven one-hundredths))~~) seventeen classified personnel to one thousand annual average full time equivalent students enrolled in grades kindergarten through twelve.

(c) In the event the legislature rejects the distribution formula recommended by the governor, without adopting a new distribution formula, the distribution formula for the previous school year shall

1 remain in effect: PROVIDED, That the distribution formula developed  
2 pursuant to this section shall be for state apportionment and  
3 equalization purposes only and shall not be construed as mandating  
4 specific operational functions of local school districts other than  
5 those program requirements identified in RCW 28A.150.220 and  
6 28A.150.100. The enrollment of any district shall be the annual  
7 average number of full time equivalent students and part time students  
8 as provided in RCW 28A.150.350, enrolled on the first school day of  
9 each month and shall exclude full time equivalent students with  
10 disabilities recognized for the purposes of allocation of state funds  
11 for programs under RCW 28A.155.010 through 28A.155.100. The definition  
12 of full time equivalent student shall be determined by rules of the  
13 superintendent of public instruction: PROVIDED, That the definition  
14 shall be included as part of the superintendent's biennial budget  
15 request: PROVIDED, FURTHER, That any revision of the present  
16 definition shall not take effect until approved by the house  
17 appropriations committee and the senate ways and means committee:  
18 PROVIDED, FURTHER, That the office of financial management shall make  
19 a monthly review of the superintendent's reported full time equivalent  
20 students in the common schools in conjunction with RCW 43.62.050.

21 (3)(a) Certificated instructional staff shall include those persons  
22 employed by a school district who are nonsupervisory employees within  
23 the meaning of RCW 41.59.020(8): PROVIDED, That in exceptional cases,  
24 people of unusual competence but without certification may teach  
25 students so long as a certificated person exercises general  
26 supervision: PROVIDED, FURTHER, That the hiring of such  
27 noncertificated people shall not occur during a labor dispute and such  
28 noncertificated people shall not be hired to replace certificated  
29 employees during a labor dispute.

30 (b) Certificated administrative staff shall include all those  
31 persons who are chief executive officers, chief administrative  
32 officers, confidential employees, supervisors, principals, or assistant  
33 principals within the meaning of RCW 41.59.020(4).

34 (4) Each annual average full time equivalent certificated classroom  
35 teacher's direct classroom contact hours shall average at least twenty-  
36 five hours per week. Direct classroom contact hours shall be exclusive  
37 of time required to be spent for preparation, conferences, or any other  
38 nonclassroom instruction duties. Up to two hundred minutes per week  
39 may be deducted from the twenty-five contact hour requirement, at the

1 discretion of the school district board of directors, to accommodate  
2 authorized teacher/parent-guardian conferences, recess, passing time  
3 between classes, and informal instructional activity. Implementing  
4 rules to be adopted by the state board of education pursuant to RCW  
5 28A.150.220(4) shall provide that compliance with the direct contact  
6 hour requirement shall be based upon teachers' normally assigned weekly  
7 instructional schedules, as assigned by the district administration.  
8 Additional record-keeping by classroom teachers as a means of  
9 accounting for contact hours shall not be required. Waivers from  
10 contact hours may be requested under RCW 28A.305.140.

11 SECTION **Sec. 9.** AMENDING: RCW 66.08.180 Liquor revolving fund--  
12 Distribution--Reserve for administration--Disbursement to universities  
13 and state agencies. Moneys in the liquor revolving fund shall be  
14 distributed by the board at least once every three months in accordance  
15 with RCW 66.08.190, 66.08.200 and 66.08.210: PROVIDED, That the board  
16 shall reserve from distribution such amount not exceeding five hundred  
17 thousand dollars as may be necessary for the proper administration of  
18 this title.

19 (1) All license fees, penalties and forfeitures derived under this  
20 act from class H licenses or class H licensees shall every three months  
21 be disbursed by the board as follows:

22 (a) Three hundred thousand dollars per biennium, to the University  
23 of Washington for the forensic investigations council to conduct the  
24 state toxicological laboratory pursuant to RCW 68.50.107; and

25 (b) Of the remaining funds:

26 (i) 6.06 percent to the University of Washington and 4.04 percent  
27 to Washington State University for alcoholism and drug abuse research  
28 and for the dissemination of such research; and

29 (ii) 89.9 percent to the general fund to be used by the department  
30 of social and health services solely to carry out the purposes of RCW  
31 70.96A.050;

32 (2) The first (~~(fifty-five)~~) one hundred dollars per license fee  
33 provided in RCW 66.24.320 and 66.24.330 (~~((up to a maximum of one~~  
34 ~~hundred fifty thousand dollars annually and))~~) shall be disbursed every  
35 three months by the board to the general fund to be used for juvenile  
36 alcohol and drug prevention programs for kindergarten through (~~(third)~~)  
37 twelfth grade to be administered by the office of superintendent of  
38 public instruction.

1 (3) Twenty percent of the remaining total amount derived from  
2 license fees pursuant to RCW 66.24.320, 66.24.330, 66.24.340,  
3 66.24.350, 66.24.360, and 66.24.370, shall be transferred to the  
4 general fund to be used by the department of social and health services  
5 solely to carry out the purposes of RCW 70.96A.050; and

6 (4) One-fourth cent per liter of the tax imposed by RCW 66.24.210  
7 shall every three months be disbursed by the board to Washington State  
8 University solely for wine and wine grape research, extension programs  
9 related to wine and wine grape research, and resident instruction in  
10 both wine grape production and the processing aspects of the wine  
11 industry in accordance with RCW 28B.30.068. The director of financial  
12 management shall prescribe suitable accounting procedures to ensure  
13 that the funds transferred to the general fund to be used by the  
14 department of social and health services and appropriated are  
15 separately accounted for.

16 SECTION Sec. 10. AMENDING RCW 43.135.035 Tax legislation--  
17 Conditions and restrictions--Ballot title--Declarations of emergency--  
18 Taxes on intangible property--Expenditure limit to reflect program cost  
19 shifting or fund transfer. (1) After July 1, 1995, any action or  
20 combination of actions by the legislature that raises state revenue or  
21 requires revenue-neutral tax shifts may be taken only if approved by a  
22 two-thirds vote of each house, and then only if state expenditures in  
23 any fiscal year, including the new revenue, will not exceed the state  
24 expenditure limits established under this chapter. **Except; as provided**  
25 **in subsection (5) of this section public education and public libraries**  
26 **shall be exempt from expenditure limitations.**

27 (2)(a) If the legislative action under subsection (1) of this  
28 section will result in expenditures in excess of the state expenditure  
29 limit, then the action of the legislature shall not take effect until  
30 approved by a vote of the people at a November general election. The  
31 office of financial management shall adjust the state expenditure limit  
32 by the amount of additional revenue approved by the voters under this  
33 section. This adjustment shall not exceed the amount of revenue  
34 generated by the legislative action during the first full fiscal year  
35 in which it is in effect. The state expenditure limit shall be  
36 adjusted downward upon expiration or repeal of the legislative action.

37 (b) The ballot title for any vote of the people required under this  
38 section shall be substantially as follows: "Shall taxes be imposed on



1 . . . . . in order to allow a spending increase above last year's  
2 authorized spending adjusted for inflation and population increases?"

3 (3)(a) The state expenditure limit may be exceeded upon declaration  
4 of an emergency for a period not to exceed twenty-four months by a law  
5 approved by a two-thirds vote of each house of the legislature and  
6 signed by the governor. The law shall set forth the nature of the  
7 emergency, which is limited to natural disasters that require immediate  
8 government action to alleviate human suffering and provide humanitarian  
9 assistance. The state expenditure limit may be exceeded for no more  
10 than twenty-four months following the declaration of the emergency and  
11 only for the purposes contained in the emergency declaration.

12 (b) Additional taxes required for an emergency under this section  
13 may be imposed only until thirty days following the next general  
14 election, unless an extension is approved at that general election.  
15 The additional taxes shall expire upon expiration of the declaration of  
16 emergency. The legislature shall not impose additional taxes for  
17 emergency purposes under this subsection unless funds in the education  
18 construction fund have been exhausted.

19 (c) The state or any political subdivision of the state shall not  
20 impose any tax on intangible property listed in RCW 84.36.070 as that  
21 statute exists on January 1, 1993.

22 (4) If the cost of any state program or function is shifted from  
23 the state general fund on or after January 1, 1993, to another source  
24 of funding, or if moneys are transferred from the state general fund to  
25 another fund or account, the office of financial management shall lower  
26 the state expenditure limit to reflect the shift.

27 (5) The Common/Public schools and the Public Library System of the  
28 state of Washington are exempt from the provisions of RCW 43.135 known  
29 as Initiative Measure 601. The exemption as provided in this  
30 subsection shall come effective in the fiscal year 1999 and thereafter  
31 1999 shall be the base year for calculating the expenditure limits  
32 [1994 c 2 ú 4 (Initiative Measure No. 601, approved November 2, 1993).]

33 SECTION **Sec. 11.** AMENDING RCW 43.135.045 ((**Emergency**))  
34 Common/Public school reserve fund--Excess balance to education and  
35 education construction fund--Appropriation conditions. (1) The  
36 ((**emergency**)) common/public school reserve fund is established in the  
37 state treasury. During each fiscal year, the state treasurer shall  
38 deposit in the ((**emergency**)) common/public school reserve fund all

1 general fund--state revenues in excess of the state expenditure limit  
2 for that fiscal year. Deposits shall be made at the end of each fiscal  
3 quarter based on projections of state revenues and the state  
4 expenditure limit.

5 (2) The legislature may appropriate moneys from the ((**emergency**))  
6 common/public school reserve fund only with approval of at least ((**two-**  
7 **thirds**)) fifty-one percent of the members of each house of the  
8 legislature((**, and then only if the appropriation does not cause total**  
9 **expenditures to exceed the state expenditure limit under this**  
10 **chapter**)).

11 (3) The ((**emergency**)) common/public school reserve fund balance  
12 shall not exceed ((**five**)) twenty percent of biennial general fund--  
13 state revenues as projected by the official state revenue forecast.  
14 Any balance in excess of ((**five**)) twenty percent shall be transferred  
15 on a quarterly basis by the state treasurer to the education  
16 construction fund hereby created in the treasury.

17 (4)(a) Funds may be appropriated from the education construction  
18 fund exclusively for common/public school construction or higher  
19 education construction.

20 (b) Funds ((**may**)) shall not be appropriated for any other purpose.  
21 **Except:** only if approved by two-thirds vote of each house of the  
22 legislature and if approved by a vote of the people at the next general  
23 election. **Further: A special election may be held.** An appropriation  
24 approved by the people under this subsection shall result in an  
25 adjustment to the state expenditure limit, common/public schools are  
26 exempt from adjustment to the state expenditure limits, only for the  
27 fiscal period for which the appropriation is made and shall not affect  
28 any subsequent fiscal period.

29 NEW SECTION **Sec. 12.** The intent of this chapter is to create the  
30 best school and educational system in the world, to create the model  
31 structure for the rest of the United States to emulate, and to set a  
32 standard of education that tells and shows the children of the state of  
33 Washington that the people not only care about education, that we, the  
34 people, put education first!

35 (1) The education of the children of the state of Washington is the  
36 first priority of the legislature of the state of Washington.

37 (2) Because the state of Washington is the home of computer  
38 technology and such technology is the new schools of the state of

1 Washington up-to-date in computer technology. This shall be done  
2 through cooperation with the superintendent of public instruction.

3 (3) The legislature shall work with the superintendent of public  
4 instruction to create the public school system that shall be the number  
5 one world class school system for the purpose of teaching and educating  
6 the residents of the state of Washington.

7 (4) No state agency shall lose funding as a result of the  
8 expenditure cap being lifted on public education and the public  
9 libraries of the state of Washington.

10 NEW SECTION **Sec. 13.** A new section is added to chapter 43.135 RCW  
11 to read as follows:

12 Funding for public libraries under chapter 27.12 RCW is exempt from  
13 this chapter 43.135 RCW..

14 NEW SECTION **Sec. 14.** Sections (1) through (6) of this act  
15 constitute a new chapter in Title 28A RCW.

16 NEW SECTION **Sec. 15.** The sum of two hundred fifty million  
17 dollars, or as much thereof as may be necessary, is appropriated for  
18 the biennium ending June 30, 1999, from the general fund to the  
19 superintendent of public instruction for purpose of this act. This  
20 appropriation is a special appropriation and is beyond any regular  
21 appropriation in such biennium.

22 NEW SECTION **Sec. 16.** The sum of two hundred fifty million  
23 dollars, or as much thereof as may be necessary, is appropriated for  
24 the biennium ending June 30, 2001, from the general fund to the  
25 superintendent of public instruction for purpose of this act. This  
26 appropriation is a special appropriation and is beyond any regular  
27 appropriation in such biennium.

28 NEW SECTION **Sec. 17.** Severability-Construction Clause.

29 (1.) If any provision of this act or its application to any person  
30 or circumstance is held invalid, the remainder of the act or the  
31 provision to other persons or circumstances is not affected.

32 (2.) The provisions of this act are to be liberally construed to  
33 effectuate the policies and purpose of this act.

1        NEW SECTION   **Sec. 18.**   The secretary of state shall submit this act  
2   to the people for their adoption and ratification, or rejection, at the  
3   next general election to be held in this state, in accordance with  
4   Article II, section 1 of the state constitution and the laws adopted to  
5   facilitate its operation.

... END ...